



forestry, fisheries
and the environment

Department:
Forestry, Fisheries and the Environment
REPUBLIC OF SOUTH AFRICA

INVITATION TO BID

BID NUMBER: DFFE-T069(21-22)

APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE A CO-SOURCED INTERNAL AUDIT SERVICE TO THE DEPARTMENT OF FORESTRY, FISHERIES AND THE ENVIRONMENT FOR A PERIOD OF THREE (3) YEARS.

CONTACT PERSONS:

Technical Enquiries:

Name: Mr W Oelofse

Office Telephone No: 012 399 9013

E-Mail: woelofse@dffe.gov.za

Bidder name	Registration number	Central Supplier Database (CSD number)	
			Main contractor
			Sub-contracted/ joint venture company 1
			Sub-contracted/ joint venture company 2

CLOSING DATE OF THE BID: 18 February 2022 AT 11H00

PART A INVITATION TO BID

YOU ARE HEREBY INVITED TO BID FOR REQUIREMENTS OF THE (Department of Environment Forestry and Fisheries)					
BID NUMBER:	DFFE-T069(21-22)	CLOSING DATE:	18 FEBRUARY 2022	CLOSING TIME:	11:00
DESCRIPTION	APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE A CO-SOURCED INTERNAL AUDIT SERVICE TO THE DEPARTMENT OF FORESTRY, FISHERIES AND THE ENVIRONMENT FOR A PERIOD OF THREE (3) YEARS.				
BID RESPONSE DOCUMENTS MAY BE DEPOSITED IN THE BID BOX SITUATED AT (STREET ADDRESS)					
Department of Environment Forestry and Fisheries; The Environment House,					
473 Steve Biko Road; Cnr Soutpansberg and Steve Biko Road, Arcadia Pretoria /Tshwane					
BIDDING PROCEDURE ENQUIRIES MAY BE DIRECTED TO			TECHNICAL ENQUIRIES MAY BE DIRECTED TO:		
CONTACT PERSON	Mr Jacques Steyn/Ms Emily Babedi / Ms Vonani Rikhotso		CONTACT PERSON	Mr W Oelofse	
TELEPHONE NUMBER	012 399 9019		TELEPHONE NUMBER	012 399 9013	
FACSIMILE NUMBER	N/A		FACSIMILE NUMBER	N/A	
E-MAIL ADDRESS	jsteyn@dffe.gov.za/ ebabedi@dffe.gov.za/ vrkhotso@dffe.gov.za		E-MAIL ADDRESS	woelofse@dffe.gov.za	
SUPPLIER INFORMATION					
NAME OF BIDDER					
POSTAL ADDRESS					
STREET ADDRESS					
TELEPHONE NUMBER	CODE		NUMBER		
CELLPHONE NUMBER					
FACSIMILE NUMBER	CODE		NUMBER		
E-MAIL ADDRESS					
VAT REGISTRATION NUMBER					
SUPPLIER COMPLIANCE STATUS	TAX COMPLIANCE SYSTEM PIN:		OR	CENTRAL SUPPLIER DATABASE No:	MAAA
B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE	TICK APPLICABLE BOX] ☐ Yes ☐ No		B-BBEE STATUS LEVEL SWORN AFFIDAVIT	[TICK APPLICABLE BOX] ☐ Yes ☐ No	
[A B-BBEE STATUS LEVEL VERIFICATION CERTIFICATE/ SWORN AFFIDAVIT (FOR EMES & QSEs) MUST BE SUBMITTED IN ORDER TO QUALIFY FOR PREFERENCE POINTS FOR B-BBEE]					
ARE YOU THE ACCREDITED REPRESENTATIVE IN SOUTH AFRICA FOR THE GOODS /SERVICES /WORKS OFFERED?	☐ Yes ☐ No [IF YES ENCLOSE PROOF]		ARE YOU A FOREIGN BASED SUPPLIER FOR THE GOODS /SERVICES /WORKS OFFERED?	☐ Yes ☐ No [IF YES, ANSWER PART B:3]	
QUESTIONNAIRE TO BIDDING FOREIGN SUPPLIERS					
IS THE ENTITY A RESIDENT OF THE REPUBLIC OF SOUTH AFRICA (RSA)?				☐ YES ☐ NO	
DOES THE ENTITY HAVE A BRANCH IN THE RSA?				☐ YES ☐ NO	
DOES THE ENTITY HAVE A PERMANENT ESTABLISHMENT IN THE RSA?				☐ YES ☐ NO	
DOES THE ENTITY HAVE ANY SOURCE OF INCOME IN THE RSA?				☐ YES ☐ NO	
IS THE ENTITY LIABLE IN THE RSA FOR ANY FORM OF TAXATION?				☐ YES ☐ NO	
IF THE ANSWER IS "NO" TO ALL OF THE ABOVE, THEN IT IS NOT A REQUIREMENT TO REGISTER FOR A TAX COMPLIANCE STATUS SYSTEM PIN CODE FROM THE SOUTH AFRICAN REVENUE SERVICE (SARS) AND IF NOT REGISTER AS PER 2.3 BELOW.					

PART B
TERMS AND CONDITIONS FOR BIDDING

1. BID SUBMISSION:
1.1. BIDS MUST BE DELIVERED BY THE STIPULATED TIME TO THE CORRECT ADDRESS. LATE BIDS WILL NOT BE ACCEPTED FOR CONSIDERATION.
1.2. ALL BIDS MUST BE SUBMITTED ON THE OFFICIAL FORMS PROVIDED--(NOT TO BE RE-TYPED) OR IN THE MANNER PRESCRIBED IN THE BID DOCUMENT.
1.3. THIS BID IS SUBJECT TO THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017, THE GENERAL CONDITIONS OF CONTRACT (GCC) AND, IF APPLICABLE, ANY OTHER SPECIAL CONDITIONS OF CONTRACT.
1.4. THE SUCCESSFUL BIDDER WILL BE REQUIRED TO FILL IN AND SIGN A WRITTEN CONTRACT FORM (SBD7).
2. TAX COMPLIANCE REQUIREMENTS
2.1 BIDDERS MUST ENSURE COMPLIANCE WITH THEIR TAX OBLIGATIONS.
2.2 BIDDERS ARE REQUIRED TO SUBMIT THEIR UNIQUE PERSONAL IDENTIFICATION NUMBER (PIN) ISSUED BY SARS TO ENABLE THE ORGAN OF STATE TO VERIFY THE TAXPAYER'S PROFILE AND TAX STATUS.
2.3 APPLICATION FOR TAX COMPLIANCE STATUS (TCS) PIN MAY BE MADE VIA E-FILING THROUGH THE SARS WEBSITE WWW.SARS.GOV.ZA.
2.4 BIDDERS MAY ALSO SUBMIT A PRINTED TCS CERTIFICATE TOGETHER WITH THE BID.
2.5 IN BIDS WHERE CONSORTIA / JOINT VENTURES / SUB-CONTRACTORS ARE INVOLVED, EACH PARTY MUST SUBMIT A SEPARATE TCS CERTIFICATE / PIN / CSD NUMBER.
2.6 WHERE NO TCS IS AVAILABLE BUT THE BIDDER IS REGISTERED ON THE CENTRAL SUPPLIER DATABASE (CSD), A CSD NUMBER MUST BE PROVIDED.
2.7 NO BIDS WILL BE CONSIDERED FROM PERSONS IN THE SERVICE OF THE STATE, COMPANIES WITH DIRECTORS WHO ARE PERSONS IN THE SERVICE OF THE STATE, OR CLOSE CORPORATIONS WITH MEMBERS PERSONS IN THE SERVICE OF THE STATE."

NB: FAILURE TO PROVIDE / OR COMPLY WITH ANY OF THE ABOVE PARTICULARS MAY RENDER THE BID INVALID.

SIGNATURE OF BIDDER:

CAPACITY UNDER WHICH THIS BID IS SIGNED:
(Proof of authority must be submitted e.g. company resolution)

DATE:

PRICING SCHEDULE
(Professional Services)

NAME OF BIDDER: BID NO: DFFE-T069(21-22)

CLOSING TIME 11:00 ON 18 FEBRUARY 2022

OFFER TO BE VALID FOR 120 DAYS FROM THE CLOSING DATE OF BID.

ITEM NO	DESCRIPTION	BID PRICE IN RSA CURRENCY INCLUSIVE OF <u>VALUE ADDED TAX</u>
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APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE A CO-SOURCED INTERNAL AUDIT SERVICE TO THE DEPARTMENT OF FORESTRY, FISHERIES AND THE ENVIRONMENT FOR A PERIOD OF THREE (3) YEARS.

TERMS OF REFERENCE: APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE A CO-SOURCED INTERNAL AUDIT SERVICE TO THE DEPARTMENT OF FORESTRY, FISHERIES AND THE ENVIRONMENT FOR A PERIOD OF THREE (3) YEARS.

1. Services must be quoted in accordance with the Project deliverables in section 5 of the TOR. The indicated 7000 hours per annum is only for evaluation purposes. Table to be completed in full.
- 2.

[illegible]

2. Period required for commencement with project after acceptance of bid_____

SBD 4

DECLARATION OF INTEREST

1. Any legal person, including persons employed by the state¹, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes an advertised competitive bid, a limited bid, a proposal or written price quotation). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the bidder or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority where-
 - the bidder is employed by the state; and/or
 - the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.
2. **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**
 - 2.1 Full Name of bidder or his or her representative:
 - 2.2 Identity Number:.....
 - 2.3 Position occupied in the Company (director, trustee, shareholder², member):
 - 2.4 Registration number of company, enterprise, close corporation, partnership agreement or trust:
 - 2.5 Tax Reference Number:
 - 2.6 VAT Registration Number:
 - 2.6.1 The names of all directors / trustees / shareholders / members, their individual identity numbers, tax reference numbers and, if applicable, employee / PERSAL numbers must be indicated in paragraph 3 below.

¹"State" means –

- (a) any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- (b) any municipality or municipal entity;
- (c) provincial legislature;
- (d) national Assembly or the national Council of provinces; or
- (e) Parliament.

²"Shareholder" means a person who owns shares in the company and is actively involved in the management of the enterprise or business and exercises control over the enterprise.

2.7 Are you or any person connected with the bidder presently employed by the state? **YES / NO**

2.7.1 If so, furnish the following particulars:

Name of person / director / trustee / shareholder/ member:

Name of state institution at which you or the person connected to the bidder is employed :

Position occupied in the state institution:

Any other particulars:

.....

.....

.....

2.7.2 If you are presently employed by the state, did you obtain the appropriate authority to undertake remunerative work outside employment in the public sector? **YES / NO**

2.7.2.1 If yes, did you attach proof of such authority to the bid document? **YES / NO**

(Note: Failure to submit proof of such authority, where applicable, may result in the disqualification of the bid.

2.7.2.2 If no, furnish reasons for non-submission of such proof:

.....

.....

.....

2.8 Did you or your spouse, or any of the company's directors / trustees / shareholders / members or their spouses conduct business with the state in the previous twelve months? **YES / NO**

2.8.1 If so, furnish particulars:

.....

.....

.....

2.9 Do you, or any person connected with the bidder, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid? **YES / NO**

2.9.1 If so, furnish particulars.

.....

2.10 Are you, or any person connected with the bidder, aware of any relationship (family, friend, other) between any other bidder and any person employed by the state who may be involved with the evaluation and or adjudication of this bid?

2.10.1 If so, furnish particulars.

2.11 Do you or any of the directors / trustees / shareholders / members of the company have any interest in any other related companies whether or not they are bidding for this contract?

2.11.1 If so, furnish particulars:

3 Full details of directors / trustees / members / shareholders.

[illegible]

4 DECLARATION

I, THE UNDERSIGNED (NAME).....

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2 and 3 ABOVE IS CORRECT.
I ACCEPT THAT THE STATE MAY REJECT THE BID OR ACT AGAINST ME SHOULD THIS
DECLARATION PROVE TO BE FALSE.

.....
Signature

.....
Date

.....
Position

.....
Name of bidder

November 2011

PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL PROCUREMENT REGULATIONS 2017

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.

1. GENERAL CONDITIONS

1.1 The following preference point systems are applicable to all bids:

- the 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- the 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2

a) The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable; or

1.3 Points for this bid shall be awarded for:

- (a) Price; and
- (b) B-BBEE Status Level of Contributor.

1.4 The maximum points for this bid are allocated as follows:

	POINTS
PRICE	80
B-BBEE STATUS LEVEL OF CONTRIBUTOR	20
Total points for Price and B-BBEE must not exceed	100

1.5 Failure on the part of a bidder to submit proof of B-BBEE Status level of contributor together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

2. DEFINITIONS

- (a) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (b) **“B-BBEE status level of contributor”** means the B-BBEE status of an entity in terms of a code of good practice on black economic empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;
- (c) **“bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of goods or services, through price quotations, advertised competitive bidding processes or proposals;
- (d) **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (e) **“EME”** means an Exempted Micro Enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (f) **“functionality”** means the ability of a tenderer to provide goods or services in accordance with specifications as set out in the tender documents.
- (g) **“prices”** includes all applicable taxes less all unconditional discounts;
- (h) **“proof of B-BBEE status level of contributor”** means:
 - 1) B-BBEE Status level certificate issued by an authorized body or person;
 - 2) A sworn affidavit as prescribed by the B-BBEE Codes of Good Practice;
 - 3) Any other requirement prescribed in terms of the B-BBEE Act;
- (i) **“QSE”** means a qualifying small business enterprise in terms of a code of good practice on black economic empowerment issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act;
- (j) **“rand value”** means the total estimated value of a contract in Rand, calculated at the time of bid invitation, and includes all applicable taxes;

3. POINTS AWARDED FOR PRICE

3.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

A maximum of 80 or 90 points is allocated for price on the following basis:

80/20

or

90/10

$$P_s = 80 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right) \quad \text{or} \quad P_s = 90 \left(1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

Ps = Points scored for price of bid under consideration

Pt = Price of bid under consideration

P_{min} = Price of lowest acceptable bid

4. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTOR

- 4.1 In terms of Regulation 6 (2) and 7 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	6	14
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

5. BID DECLARATION

- 5.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

6. B-BBEE STATUS LEVEL OF CONTRIBUTOR CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 4.1

- 6.1 B-BBEE Status Level of Contributor: . = maximum 20 points
(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 4.1 and must be substantiated by relevant proof of B-BBEE status level of contributor.)

7. SUB-CONTRACTING

- 7.1 Will any portion of the contract be sub-contracted?

(Tick applicable box)

YES	☐	NO	☐
-----	--------------------------	----	--------------------------

- 7.1.1 If yes, indicate:

- What percentage of the contract will be subcontracted.....%
- The name of the sub-contractor.....
- The B-BBEE status level of the sub-contractor.....
- Whether the sub-contractor is an EME or QSE

(Tick applicable box)

YES	☐	NO	☐
-----	--------------------------	----	--------------------------

- v) Specify, by ticking the appropriate box, if subcontracting with an enterprise in terms of Preferential Procurement Regulations, 2017:

Designated Group: An EME or QSE which is at least 51% owned by:	EME √	QSE √
Black people	☐	☐
Black people who are youth	☐	☐
Black people who are women	☐	☐
Black people with disabilities	☐	☐

Black people living in rural or underdeveloped areas or townships		
Cooperative owned by black people		
Black people who are military veterans		
OR		
Any EME		
Any QSE		

8. DECLARATION WITH REGARD TO COMPANY/FIRM

8.1 Name of company/firm:.....

8.2 VAT registration number:.....

8.3 Company registration number:.....

8.4 TYPE OF COMPANY/ FIRM

- ☐ Partnership/Joint Venture / Consortium
- ☐ One person business/sole propriety
- ☐ Close corporation
- ☐ Company
- ☐ (Pty) Limited

[TICK APPLICABLE BOX]

8.5 DESCRIBE PRINCIPAL BUSINESS ACTIVITIES

.....

8.6 COMPANY CLASSIFICATION

- ☐ Manufacturer
- ☐ Supplier
- ☐ Professional service provider
- ☐ Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]

8.7 Total number of years the company/firm has been in business:.....

8.8 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contributor indicated in paragraphs 1.4 and 6.1 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

- i) The information furnished is true and correct;
- ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form;
- iii) In the event of a contract being awarded as a result of points claimed as shown in

paragraphs 1.4 and 6.1, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;

iv) If the B-BBEE status level of contributor has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –

- (a) disqualify the person from the bidding process;
- (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
- (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
- (d) recommend that the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, be restricted by the National Treasury from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and
- (e) forward the matter for criminal prosecution.

WITNESSES

1.
2.

.....
SIGNATURE(S) OF BIDDERS(S)

DATE:

ADDRESS

.....

.....

DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES

- 1 This Standard Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by institutions in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be disregarded if that bidder, or any of its directors have-
 - a. abused the institution's supply chain management system;
 - b. committed fraud or any other improper conduct in relation to such system; or
 - c. failed to perform on any previous contract.
- 4 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

Item	Question	Yes	No
4.1	Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied). The Database of Restricted Suppliers now resides on the National Treasury's website(www.treasury.gov.za) and can be accessed by clicking on its link at the bottom of the home page.	Yes ☐	No ☐
4.1.1	If so, furnish particulars:		
4.2	Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? The Register for Tender Defaulters can be accessed on the National Treasury's website (www.treasury.gov.za) by clicking on its link at the bottom of the home page.	Yes ☐	No ☐
4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?	Yes ☐	No ☐
4.3.1	If so, furnish particulars:		
4.4	Was any contract between the bidder and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes ☐	No ☐

4.4.1	If so, furnish particulars:
-------	-----------------------------

SBD 8

CERTIFICATION

**I, THE UNDERSIGNED (FULL NAME).....
CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION
FORM IS TRUE AND CORRECT.**

**I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT,
ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION
PROVE TO BE FALSE.**

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

Js365bW

CERTIFICATE OF INDEPENDENT BID DETERMINATION

- 1 This Standard Bidding Document (SBD) must form part of all bids¹ invited.
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).² Collusive bidding is a *pe se* prohibition meaning that it cannot be justified under any grounds.
- 3 Treasury Regulation 16A9 prescribes that accounting officers and accounting authorities must take all reasonable steps to prevent abuse of the supply chain management system and authorizes accounting officers and accounting authorities to:
 - a. disregard the bid of any bidder if that bidder, or any of its directors have abused the institution's supply chain management system and or committed fraud or any other improper conduct in relation to such system.
 - b. cancel a contract awarded to a supplier of goods and services if the supplier committed any corrupt or fraudulent act during the bidding process or the execution of that contract.
- 4 This SBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (SBD 9) must be completed and submitted with the bid:

¹ Includes price quotations, advertised competitive bids, limited bids and proposals.

² Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

CERTIFICATE OF INDEPENDENT BID DETERMINATION

I, the undersigned, in submitting the accompanying bid:

(Bid Number and Description)

in response to the invitation for the bid made by:

(Name of Institution)

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of: _____ that:

(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
 - (a) has been requested to submit a bid in response to this bid invitation;
 - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and
 - (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder

6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium³ will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
 - (a) prices;
 - (b) geographical area where product or service will be rendered (market allocation)
 - (c) methods, factors or formulas used to calculate prices;
 - (d) the intention or decision to submit or not to submit, a bid;
 - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
 - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

³ Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract.

10. I am aware that, in addition and without prejudice to any other remedy provided to combat any restrictive practices related to bids and contracts, bids that are suspicious will be reported to the Competition Commission for investigation and possible imposition of administrative penalties in terms of section 59 of the Competition Act No 89 of 1998 and or may be reported to the National Prosecuting Authority (NPA) for criminal investigation and or may be restricted from conducting business with the public sector for a period not exceeding ten (10) years in terms of the Prevention and Combating of Corrupt Activities Act No 12 of 2004 or any other applicable legislation.

.....
Signature

.....
Date

.....
Position

.....
Name of Bidder

Js914w 2



forestry, fisheries & the environment

Department:
Forestry, Fisheries and the Environment
REPUBLIC OF SOUTH AFRICA

DEPARTMENT OF FORESTRY, FISHERIES AND THE ENVIRONMENT (DFFE) AS AN ORGAN OF STATE SUBSCRIBES TO AND PROPAGATES BOTH THE NOTION OF BROAD BASED BLACK ECONOMIC EMPOWERMENT ACT, 2003 (Act No. 53 of 2003) (BBBEE), THE PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 (Act No. 5 of 2000) AND THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.

TERMS OF REFERENCE

TERMS OF REFERENCE: APPOINTMENT OF A SERVICE PROVIDER TO PROVIDE A CO-SOURCED INTERNAL AUDIT SERVICE TO THE DEPARTMENT OF FORESTRY, FISHERIES AND THE ENVIRONMENT FOR A PERIOD OF THREE (3) YEARS.

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1. PURPOSE

- 1.1. The purpose of this Request for Bid (RFB) is to obtain bids from prospective independent service providers for the provision of a co-sourced Internal Audit (IA) service at the Department of Forestry, Fisheries and the Environment ("Department") for a period of three (3) years
- 1.2. In all cases, it is important that staff of the Directorate: Internal Audit (DIA) are empowered in the process of carrying out the assignment. Staff must develop appropriate skills and experience in their interaction with the relevant appointed service provider which will decrease the necessity in the need for future assignments of this nature. A detailed skills transfer plan will have to be submitted with the proposal.
- 1.3. Bidders should note that the Department will monitor the process very closely and that bidders will be required to submit a collaborative progress or status report on a quarterly basis and present such to Audit and Risk Committee (ARC) as and when required.

2. INTRODUCTION AND BACKGROUND

- 2.1. The Public Finance Management Act No. 1 of 1999 (as amended) (PFMA) requires the establishment of an effective system of internal audit under the control and direction of an Audit Committee (Section 38 (1) (a) (ii). Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.
- 2.2. The co-sourced IA service has functioned in-house at the Department for the past ten (10) years, with a staff complement of four (4) officials.
- 2.3. The external audit services are performed by the Office of the Auditor-General of South Africa (AGSA). The Internal Audit team is expected to liaise closely with the Office of the AGSA to avoid unnecessary duplication of audit work.

3. OBJECTIVES

- 3.1. Provide a co-sourced Internal Audit services at the Department in cooperation with Management, the DIA, ARC and the AGSA. The awarded service provider will be required to attend meetings with the DIA, ARC and Director-General or his/her delegate.
- 3.2. The awarded service providers should fulfil all requirements pertaining to internal audit in line with the PFMA, Treasury Regulations and the Institute of Internal Auditors (IIA) Standards as well as the Departmental Internal Audit Charter and Methodology which will contribute to the achievement of the Department's clean audit record.

4. SCOPE AND EXTENT OF WORK

- 4.1. The scope of the co-sourced IA service includes at least the under-mentioned. Any other functions that may be required by the service provider may be offered and/or clearly defined.

- 4.2. The co-sourced service provider, in consultation with the Directorate: Internal Audit and the Audit and Risk Committee (ARC), will provide input for the following:
- a) The rolling three (3)-year strategic IA plan based on an assessment of key risk areas of the Department, having regard to its current operations, the proposed operations in the Department's strategic plan and its risk management strategy.
 - b) The risk-based annual operational IA plan.
 - c) Plans indicating the scope, cost and timelines of each audit area contained in the annual operational plan mentioned in (b) above.
 - d) Progress reports to the ARC detailing its performance against the IA plans to allow effective monitoring and intervention.
- 4.3 The co-sourced service provider will ensure that audits as planned in the IA plan are performed in line with the Departments Internal Audit methodology and the Institute of Internal Audit standards.
- 4.4 The IA function must coordinate with other internal and external assurance providers to ensure adequate coverage and to minimise duplications.
- 4.5 The IA function must assist Management in maintaining effective controls by evaluating the control environment, the system of internal control through audit assignments and providing recommendations for the enhancement of existing processes through which:
- a) Objectives and values are established and communicated.
 - b) Achievement of objectives is monitored.
 - c) Accountability is ensured.
 - d) Corporate values are preserved.
 - e) The adequacy and effectiveness of the system of internal controls are reviewed and appraised.
 - f) The relevance, reliability and integrity of management, financial and operating data and reports are appraised.
 - g) Systems established to ensure compliance with policies, plans, procedures, statutory requirements and regulations, which could have a significant impact on operations.
 - h) The safeguarding assets are reviewed and, as appropriate, verifying the existence of such assets.
 - i) The economy, efficiency and effectiveness with which resources are employed are appraised.
 - j) The results of operations or programmes are reviewed to ascertain whether results are consistent with the Department's established objectives and goals, whether the operations or programmes are being carried out as planned.
 - k) The adequacy of established systems and procedures are assessed.
- 4.6 In planning and conducting its work, the service provider should seek to identify serious defects in the internal controls, which might result in possible maladministration. Any such defects must be reported immediately to the Director: Internal Audit (DIA), Director-General (DG) and/or the ARC, without disclosing said defects to any other staff member. This also applies to instances where fraudulent irregularities are uncovered.
- 4.7 The awarded service provider shall provide a transfer of skills plan to in-house internal team, including approach to how this will be tracked.
- 4.8 The proposed experts and audit team to be deployed to the Department should be registered with the Institute of Internal Auditors and other relevant professional bodies as required in Section 8 below.
- 4.9 The Curriculum Vitae (CVs) for proposed experts or audit team and the service provider must guarantee the availability of the same skill and experience should an audit team member have to leave the project.
- 4.10 In addition to the above, the skills, including but not limited to the below, are required:

- a. The project requires the services of service provider possessing practical and technical competencies in Internal Auditing;
- b. Understanding of the International Standards of Professional Practice in Internal Auditing and including but not limited to extensive experience in conducting IT and Financial Internal Audits engagements in the public sector;
- c. A thorough understanding of the Public Finance Management Act (PFMA) and National Treasury Regulations;
- d. Project Management skills and experience.

5. EXPECTED DELIVERABLES / OUTCOMES

- 5.1. The service provider must demonstrate an in-depth understanding of risk-based audit by providing independent, objective assurance and consulting activity designed to add value and improve the Department's operations. The methodology must demonstrate how the service provider will assist the Department to implement an effective combined assurance model. The methodology and approach must illustrate how the service provide will assist the Department to manage key risks to achieve the desired outcome and how the service provider will add value to the Department in order to improve performance. The service provider must provide examples on reports that will be provided to Management and the ARC

5.2. Performance of audit assignments

All audit assignments are to be carried out according to the three-year strategic IA plan, as approved by Management and the ARC. Each audit assignment should at least consist of the following:

- a) Pre-audit survey.
- b) An engagement/notification letter.
- c) Audit Planning Memorandum (APM).
- d) Minutes of opening and closing meetings.
- e) Risk assessment document.
- f) Systems description/documentation.
- g) Audit programmes.
- h) Sampling methodology.
- i) Mechanisms for follow-up on progress of the implementation of management agreed action plans and feedback to Management and the ARC.
- j) Mechanism to ensure that working papers are reviewed at the appropriate level.
- k) Record of work performed (Audit Working Papers).
- l) Audit findings, root cause, the impact of risk, audit recommendations and management agreed action plans/dates.
- m) Reporting (draft IA report and final IA report).
- n) Presentation of the significant findings and critical audit findings to Management and/or the ARC.
- o) Follow-up of previously reported internal/external audit findings.

5.3 Reporting Requirements

The structure of IA reports submitted by the co-sourced IA service provider should be as follows:

- a) Introduction.
- b) Audit objectives and scope.
- c) Background.
- d) Executive summary highlighting significant and critical findings.
- e) Findings, audit recommendations and agreed management action plans, including implementation dates.

- f) Conclusion and/or audit opinion.
- g) The co-sourced service provider is to deliver to the Department's hard-copies and electronic copies of the final IA report for onward submission to the DG, ARC and other interested parties as per the distribution list.
- h) The service provider will ensure that the working paper files conform to the Standards for the Professional Practice of the Institute of Internal Auditors (IIA Standards). The original working paper files, reviewed at the senior official and such shall become the property of the Department and must be delivered with the final IA report.

6. PERIOD / DURATION OF PROJECT / ASSIGNMENT

- 6.1. The contract with the service provider will run for a period of three (3) years and will commence as agreed in the Memorandum of Agreement (MOA) signed between the Department and the service provider and issuing of an official purchase order.

7. COSTING / COMPREHENSIVE BUDGET

- 7.1. A comprehensive budget must be provided inclusive of all disbursement costs, expenses and VAT (SBD 3.3 for detailed and **Annexure A - Price Schedule Guidance**). **Service provider must quote for all activities.**
- 7.2. Bidders must utilise the attached SBD 3.3 and **Annexure A - Price Schedule Guidance** to provide a breakdown of the hourly tariff per Resource category, for the specified estimated hours, as required for the service, an estimated percentage of disbursements not exceeding 7% and Value Added Tax (VAT) where applicable, per year for the period of three (3) years. The Department has estimated total hours adding up to 7000 per year. The total amount for the three (3) years will be utilised for evaluation of bids using the 80:20 point scoring system.
- 7.3. The award will be based on the rates that will be provided by bidders using the breakdown listed in Annexure A as such forms an integral part of contract. The actual number of hours to be spent on this project will depend on the actual need during project execution stage. Failure to comply will result in your bid being considered non-responsive.
- 7.4. Expenditure incurred without the prior approval of the Department will not be reimbursed.
- 7.5. The Department shall not pay for any unproductive or duplicated time spent by the service provider on any assignment as a result of staff changes, sub-contracting or re-drafting of reports due to errors, corrections or incorrect/incomplete findings.
- 7.6. Service providers must fully complete the pricing guidelines menu for pricing, which is valid for 30 days.
- 7.7. It is prohibited that the descriptions and quantities of items in the pricing schedule be amended except in the case that an alternative bid has been submitted. Non-compliance to the pricing instructions will result in disqualification.
- 7.8. DFFE reserve the right to negotiate with preferred bidder/s identified in the evaluation process, regarding any terms and conditions, including prices without offering the same opportunity to any other bidder/s who has not been awarded the status of the preferred bidder/s.
- 7.9. DFFE reserve the right to benchmark and negotiate rates with successful bidder before award.
- 7.10. DFFE reserve the right to appoint more than one service provider.

EVALUATION OF METHOD

8.1. The evaluation for this bid will be carried out in the following phases:

- Phase 1: Pre-compliance
- Phase 2: Mandatory evaluation
- Phase 3: Functionality Evaluation
- Phase 4: Price and B-BBEE

8.2. PHASE 1: Pre-compliance or Initial Screening

8.2.1 During this phase bid documents will be reviewed to determine the compliance with SCM returnable documents, tax matters and whether proof of registration on Central Database (CSD) has been submitted with the bid documents at the closing date and time of the bid. Bids which do not satisfy the compliance criteria will not be evaluated further.

8.2.2 The bid proposal will be screened for compliance with administrative requirements as indicated below:

Item No.	Administrative Requirements	Check/Compliance	Non-submission shall result in disqualification?
1	Master Bid Document	provided and bound	*YES
Included in the Bid Document			
2	SCM - SBD 1 - Invitation to Bid	Completed and signed	*YES
3	Tax Compliance and CSD Registration	Attached CSD registration number/ Proof of CSD registration and/or SARS Tax Pin	*YES
4	SCM - SBD 3,3 - Pricing Schedule	Duly completed and signed	*YES
5	SCM - SBD 4 - Declaration of Interest	Duly completed and signed	*YES
6	SCM - SBD 6.1 - Preference Points Claim Form in terms of the Preferential Procurement Regulations 2017	Duly completed and signed	**NO
7	SCM - SBD 8 – Declaration of Bidder's Past Supply Chain Management Practices	Duly completed and signed, supported	*YES
8	SCM - SBD 9 - Certificate of Independent Bid Determination	Duly completed and signed	*YES
9	In case of bids where Consortia / Joint Ventures, Consortia/Joint Venture agreement signed by both parties must be submitted with bid proposal	JV agreement completed and signed, if applicable	*YES

***YES** – DFFE reserves the right to reject proposals that are not submitted in the prescribed format or where information presented is illegible or incomplete and will not be further evaluated

****NO** – DFFE reserves the right to request such information during the evaluation process of the proposal and such information must be presented within the stipulated required timeframes.

8.3 Phase 2: Mandatory Criteria

8.3.1 The bidder must comply with all the mandatory requirements listed under 8.3.4 in order to be further evaluated for phase 3: Functionality Criteria.

8.3.2 The Department of Forestry, Fisheries and Environment reserves the right to verify information submitted.

8.3.3 Bidder must indicate comply and reference documents which support the mandatory requirement. Where documents are not located in the bidders bid response, the department reserves the right to treat substantiation evidence that cannot be found as “not comply”.

8.3.4 Technical Mandatory requirements:

Mandatory requirement	Substantiation evidence of compliance	Bidder declaration	
		Comply	Not Comply
1. Bidder certification/ Affiliation requirements The bidder must have enterprise membership, or a director or partner employed which is a Member of the Institute of Internal Auditors (IIA), or The South African Institute of Chartered Accountants (SAICA).	Provide a copy of a valid membership in the name of the company or director/partner which is employed indicating the following: 1. Name of Enterprise or Director; and 2. Date membership was granted.		
2. Bidder certification/ Affiliation requirements Bidder must have a Certified Internal Auditor (CIA), or Chartered Accountant (CA) (SAICA) in charge of the project	Provide a valid professional certificate or qualification (CA or CIA) of a director or partner which is employed, indicating the following: i) Directors or Partners name; and ii) date professional certificate was issued.		
3. Quality Assurance Review (QAR): Results of an QAR performed by an independent external service provider as required by the Internal Audit	Bidder is required to provide QAR report with a overall result of Partially comply (PC) or General Compliant (GC) (Issued by an independent company) in order to		

Standards. QAR should have been performed in the last five (5) years (Valid at time of closing date of the bid).	substantiate company's adherence to the IIA standards and code of Ethics of the Institute of Internal Auditors.		
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8.4 Phase 3: Functionality Criteria

8.3.1 Only bid proposals that meets pre-compliance/initial screening qualification process, will be considered to be further evaluated on functionality criteria,

8.3.2 The bidder must score a minimum of **75 points** during Phase 3 (functionality / technical) of the evaluation to qualify for Phase 4 of the evaluation where only points for price and B-BBEE will be considered.

8.3.3 The following values/ indicators will be applicable when evaluating functionality:

0 = Non-compliance, 1 = Poor; 2 = Fair; 3 = Average; 4 = Good; 5 = Excellent.

PHASE: 3			
Guidelines for Category Criteria	Functionality		Weight
1. Bidder's or Company's related experience with evidence of successful completion of similar services in the public sector.	Completed Projects		
	The company must demonstrate that it has executed similar projects in the public sector.	Indicator	20
	Bidder to attach reference letters from clients on previous work successfully completed. The letters must be in the client's letterhead, indicating the type, size, duration of the project and the role of the bidder in that particular project. The letter must be signed by the client and have the details of the contact person		
	More than 5 Projects completed with duly signed Completion Certificates/References Letters	5	
	5 Projects completed with duly signed Completion Certificates/References Letters	4	
	4 Projects completed with duly signed Completion Certificates/References Letters	3	
	3 Projects completed with duly signed Completion Certificates/References Letters	2	
	1-2 Projects completed with duly signed Completion Certificates/References Letters	1	
	0 Project completed with duly signed Completion Certificates/References Letters	0	

PHASE: 3		
Guidelines for Category Criteria	Functionality	Weight
2. Capability/ expertise of the Project Manager to be assigned to the project in auditing, internal audit and risk management in the public service	Project Manager proposed to be employed on the project. Curriculum vitae are to include specific details of the proposed individuals including, inter alia, relevant experience and to include contactable reference, relevant qualifications, professional registration and past experience in Internal Audit in the public service.	20
	Relevant qualifications (CIA/CA with Post graduate diploma/Honours degree or above) and experience of the Project Manager who will be key to the project or engagement.	Indicator
	A Masters qualification + CIA or CA	5
	A Honors degree qualification (s) or CIA	4
	A degree qualification (s)	3
	A three year diploma qualification (s)	2
	Two years diploma or qualification (s)	1
	No qualification (s) attached/ submitted	0
3. Capability/ expertise and experience of the Project Manager to be assigned to the project in auditing, internal audit and risk management in the public service	Bidder(s) are required to demonstrate that they have the necessary resources and technical expertise to undertake and successfully complete the project.	20
	Bidder(s) should submit curriculum vitae for the Senior Internal Auditors/Supervisor proposed to be employed on the project. Curriculum vitae are to include specific details of the proposed individuals including, inter alia, relevant experience and to include contactable reference, relevant qualifications, professional registration and past experience in Internal Audit in the public service.	
	Bidder(s) should submit curriculum vitae for the Project Manager proposed to be employed on the project.	Indicator
	6 years or more experience	5
	5 and less than 6 years' experience	4
	3 and less than 5 years' experience	3
	2 and less than 3 years' experience	2
	1 and less than 2 years' experience	1
	No experience	0
4. Capability/ expertise and experience of the Engagement Director to be assigned to the	Bidder(s) are required to demonstrate that they have the necessary resources and technical expertise to undertake and successfully complete the project.	20

PHASE: 3		
Guidelines for Category Criteria	Functionality	Weight
project in auditing, internal audit and risk management in the public service	Bidder(s) should submit curriculum vitae for the Engagement Director proposed to be employed on the project. Curriculum vitae are to include specific details of the proposed individual including, inter alia, relevant experience and to include contactable reference, relevant qualifications, professional registration and past experience in Internal Audit in the public service.	
	Bidder(s) should submit curriculum vitae for the Engagement Director proposed to be employed on the project.	Indicator
	6 years or more experience	5
	5 and less than 6 years' experience	4
	3 and less than 5 years' experience	3
	2 and less than 3 years' experience	2
	1 and less than 2 years' experience	1
	No experience	0
5. A comprehensive, thorough and insightful methodology and process that covers risk assessment, internal audit plan, reporting and monitoring.	The bidders must demonstrate an in-depth understanding of risk-based audit by providing independent, objective assurance and consulting activity designed to add value and improve the Department's operations.	20
	The methodology must demonstrate how the service provider will assist the Department to implement an effective combined assurance model. The methodology and approach must illustrate how the service provider will assist the Department to manage key risks to achieve the desired outcome and how the service provider will add value to the Department in order to improve performance. The service provider must provide examples on reports that will be provided to Management and the ARC	Indicator
	The methodology and process is clear and covers in detail the activities tailored to DFFE expectation/outcomes, supported by example of report format	5
	The methodology and process is generic with limited cover of the detail activities tailored to DFFE expectation/outcomes, supported by example of report format	4
	The methodology and process is limited with no detail cover of the activities tailored to DFFE expectation/outcomes, supported by example of report format	3
	The methodology and process is weak with no detail cover of activities tailored to DFFE expectation/outcomes	2
	The methodology and process is poor and not tailored to DFFE expectation/outcomes	1

PHASE: 3		
Guidelines for Category Criteria	Functionality	Weight
	No information provided	0
Total points on functionality		100

8.4 Phase 4: Preference Point System (80/20)

8.4.1 Calculation of points for price

The PPPFA prescribes that the lowest acceptable bid will score 80 points for price. Bidders that quoted higher prices will score lower points for price on a pro-rata basis. Where functionality is set as a criterion, only bid proposals that meets functionality requirements will be considered to be evaluated on price and B-BBEE.

8.4.2 Calculating of points for B-BBEE status level of contribution

8.4.3 Preference point system applicable for this bid is

80:20	YES
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8.4.4 Subject to sub-regulation 6(2) and /or 7(2), points will be awarded to a tenderer for attaining B-BBEE status level contributor in accordance with the table below:

B-BBEE Status Level of Contributor	Number of Points (80/20 system)
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
Non-compliant contributor	0

8.4.5 The points scored by a tenderer in respect of the level of BBBEE contribution contemplated in sub regulation 6(2) and 7(2) must be added to the points scored for price as calculated in accordance with sub regulation 6(1) and 7(1) respectively

8.4.6 Subject to regulation 11(1), the contract must be awarded to the tenderer who scores the highest total number of points.

8.4.7 A contract may be awarded to a tenderer that did not score the highest total number of points, only in accordance with section 2 (1) (f) of the Act

9. BID SUBMISSION REQUIREMENTS

- 9.1. Bidders should ensure that the following submission requirements, which will be needed for evaluation purposes are included in their bid proposal and are as follows:
 - 9.1.1. Tax Compliance Status Pin issued by SARS or copy of CSD/ MA Supplier Number.
 - 9.1.2. The profile of the company and description of similar work undertaken.
 - 9.1.3. Detailed CV of Project Manager and company experience indicating number of years' of successfully completed projects
 - 9.1.4. Standard bidding documents (SBD1, 3.3, 4, 6.1, 8 and 9) completed and signed.
 - 9.1.5. Reference letters of rendering similar scope of work from previous or current contracts.
 - 9.1.6. A company owned by the same director(s) will not be allowed to bid twice to avoid collusion
 - 9.1.7. Proof of B-BBEE Status Level of Contributor.
 - 9.1.8. Agreement between service providers in the case of a joint venture/Consortium.
 - 9.1.9. Letter of authority to sign documents on behalf of the company/joint venture/Consortium.

10. SPECIAL CONDITIONS OF CONTRACT

- 10.1 The performance measures for the delivery of the work by the service provider will be closely monitored by the Director Internal Audit, Director-General and the Audit and Risk Committee (ARC).
- 10.2 The service provider will provide the DIA, DG or delegated official with monthly progress reports on the assignments outlined in the three-year IA plan.
- 10.3 The service provider will inform the DIA, DG or delegate immediately of any situation that may hinder the progress of the audit assignments.
- 10.4 The service provider will attend meetings to provide feedback and discuss the progress in terms of the IA plan as and when required by the Department.
- 10.5 The Director-General or delegated official shall do the ongoing performance management of the Service Level Agreement.
- 10.6 The service provider/s must guarantee the presence of the senior in charge of fieldwork throughout the duration of the contract. Prior to the appointment of a replacement, the Department must approve such appointment. If the senior has to leave the project, a period of at least a month is required, in which the senior must work parallel with the next person (senior consultant with similar expertise and equal years of experience) appointed able to transfer skills and knowledge.
- 10.7 All the conditions specified in the **General Conditions of Contract (GCC)** will apply and where the conditions in the special conditions of contract contradicts the conditions in the general conditions of contract the special conditions of contract will prevail.
- 10.8 Please take note that the Department is not bound to select any of the firms submitting proposals. The Department reserves the right not to award any of the bids and not to award the contract to the lowest bidding price.
- 10.9 Bids shall remain valid and open for acceptance for a period of one hundred and twenty days (120) days from the bid submission date, plus any mutually agreed extension of the bid validity period. The Department may, in exceptional circumstances, request bidder (s) for an extension of the proposal validity period, prior to the expiry of the original

proposal validity period. The request and the response thereto shall be made in writing. Bidder (s) agreeing to the request shall not be permitted to modify its proposal.

10.10 No bids will be considered from persons in the service of the state, companies with Directors who are persons in the service of the state or close corporation with members' persons in the service of the state.

10.11 Tenderers must submit one proposals (**one envelope**) for each bid. The envelope must include technical proposal and financial proposal.

10.12 Before any work can commence the service level agreement must be signed by both parties (the Department and the successful bidder) as well as the issue of an official order and should there be any dispute regarding the finalisation of the agreement, the Department reserves the right to cancel the contract with no cost implications for the Department.

10.13 The evaluation of bids can only be done based on information provided to the Department.

11. SUB-CONTRACTING CONDITIONS/ REQUIREMENTS

11.1. In a case a tenderer is intending to sub-contract portion of work, such tenderer awarded a contract may only enter into sub-contracting arrangements with the approval of the department.

11.2. In relation to a designated sector, a contractor will not be allowed to subcontract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.

11.3. A tenderer will not be awarded the points claimed for B-BBEE status level of contribution or contract if it is indicated in the bid documents that such a bidder intends subcontracting more than 25% of the contract value to any other enterprise that does not qualify for at least the same number of points that the bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.

11.4. The contractor is not allowed to sub-contract more than 25% of the contract value to another enterprise that does not have equal or higher B-BBEE status level, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.

12 PAYMENT TERMS

The Department undertakes to pay out in full or as per deliverables within 30 (thirty) days all valid claims for work done to its satisfaction upon presentation of a substantiated claim and the required reports stipulated in special conditions. No payment will be made where there is outstanding information/work not submitted by the service provider/s until that outstanding information is submitted.

13 TECHNICAL ENQUIRIES

Should you require any further information in this regard, please do not hesitate to contact:

Name: Mr W Oelofse

Office Telephone No. 012 399 9013

E-Mail: woelofse@environment.gov.za

THE NATIONAL TREASURY

Republic of South Africa



GOVERNMENT PROCUREMENT: GENERAL CONDITIONS OF CONTRACT

July 2010

GOVERNMENT PROCUREMENT
GENERAL CONDITIONS OF CONTRACT
July 2010

NOTES

The purpose of this document is to:

- (i) Draw special attention to certain general conditions applicable to government bids, contracts and orders; and
- (ii) To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government.

In this document words in the singular also mean in the plural and vice versa and words in the masculine also mean in the feminine and neuter.

- The General Conditions of Contract will form part of all bid documents and may not be amended.
- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every bid (if applicable) and will supplement the General Conditions of Contract. Whenever there is a conflict, the provisions in the SCC shall prevail.

TABLE OF CLAUSES

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34. Prohibition of restrictive practices

General Conditions of Contract

1. Definitions

1. The following terms shall be interpreted as indicated:
 - 1.1 “Closing time” means the date and hour specified in the bidding documents for the receipt of bids.
 - 1.2 “Contract” means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
 - 1.3 “Contract price” means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
 - 1.4 “Corrupt practice” means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
 - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
 - 1.6 “Country of origin” means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
 - 1.7 “Day” means calendar day.
 - 1.8 “Delivery” means delivery in compliance of the conditions of the contract or order.
 - 1.9 “Delivery ex stock” means immediate delivery directly from stock actually on hand.
 - 1.10 “Delivery into consignees store or to his site” means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the supplies are so delivered and a valid receipt is obtained.
 - 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the

RSA.

- 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.13 "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
- 1.14 "GCC" means the General Conditions of Contract.
- 1.15 "Goods" means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.
- 1.16 "Imported content" means that portion of the bidding price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the supplies covered by the bid will be manufactured.
- 1.17 "Local content" means that portion of the bidding price which is not included in the imported content provided that local manufacture does take place.
- 1.18 "Manufacture" means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 "Order" means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 "Project site," where applicable, means the place indicated in bidding documents.
- 1.21 "Purchaser" means the organization purchasing the goods.
- 1.22 "Republic" means the Republic of South Africa.
- 1.23 "SCC" means the Special Conditions of Contract.
- 1.24 "Services" means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such

obligations of the supplier covered under the contract.

- 1.25 “Written” or “in writing” means handwritten in ink or any form of electronic or mechanical writing.

2. Application

- 2.1 These general conditions are applicable to all bids, contracts and orders including bids for functional and professional services, sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the bidding documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific supplies, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

3. General

- 3.1 Unless otherwise indicated in the bidding documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a bid. Where applicable a non-refundable fee for documents may be charged.
- 3.2 With certain exceptions, invitations to bid are only published in the Government Tender Bulletin. The Government Tender Bulletin may be obtained directly from the Government Printer, Private Bag X85, Pretoria 0001, or accessed electronically from www.treasury.gov.za

4. Standards

- 4.1 The goods supplied shall conform to the standards mentioned in the bidding documents and specifications.

5. Use of contract documents and information; inspection.

- 5.1 The supplier shall not, without the purchaser’s prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.
- 5.2 The supplier shall not, without the purchaser’s prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.
- 5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier’s performance under the contract if so required by the purchaser.
- 5.4 The supplier shall permit the purchaser to inspect the supplier’s records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

6. Patent rights

- 6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.

7. Performance security

- 7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.
- 7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.
- 7.3 The performance security shall be denominated in the currency of the contract, or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:
 - (a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the bidding documents or another form acceptable to the purchaser; or
 - (b) a cashier's or certified cheque
- 7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified in SCC.

8. Inspections, tests and analyses

- 8.1 All pre-bidding testing will be for the account of the bidder.
- 8.2 If it is a bid condition that supplies to be produced or services to be rendered should at any stage during production or execution or on completion be subject to inspection, the premises of the bidder or contractor shall be open, at all reasonable hours, for inspection by a representative of the Department or an organization acting on behalf of the Department.
- 8.3 If there are no inspection requirements indicated in the bidding documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the supplies to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser.
- 8.5 Where the supplies or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such supplies or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Supplies and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract supplies may on or after delivery be inspected, tested or

analyzed and may be rejected if found not to comply with the requirements of the contract. Such rejected supplies shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with supplies which do comply with the requirements of the contract. Failing such removal the rejected supplies shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute supplies forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected supplies, purchase such supplies as may be necessary at the expense of the supplier.

- 8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 23 of GCC.

9. Packing

- 9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.
- 9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, specified in SCC, and in any subsequent instructions ordered by the purchaser.

10. Delivery and documents

- 10.1 Delivery of the goods shall be made by the supplier in accordance with the terms specified in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in SCC.
- 10.2 Documents to be submitted by the supplier are specified in SCC.

11. Insurance

- 11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the SCC.

12. Transportation

- 12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified in the SCC.

13. Incidental services

- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:
- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
 - (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
 - (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;

- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
- (e) training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

14. Spare parts

14.1 As specified in SCC, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:

- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
- (b) in the event of termination of production of the spare parts:
 - (i) Advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
 - (ii) following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

15. Warranty

15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise in SCC.

15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.

15.4 Upon receipt of such notice, the supplier shall, within the period specified in SCC and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.

15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified in SCC, the purchaser may proceed to take

such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

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| 16. Payment | <p>16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.</p> <p>16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfillment of other obligations stipulated in the contract.</p> <p>16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.</p> <p>16.4 Payment will be made in Rand unless otherwise stipulated in SCC.</p> |
| 17. Prices | <p>17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his bid, with the exception of any price adjustments authorized in SCC or in the purchaser's request for bid validity extension, as the case may be.</p> |
| 18. Contract amendments | <p>18.1 No variation in or modification of the terms of the contract shall be made except by written amendment signed by the parties concerned.</p> |
| 19. Assignment | <p>19.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.</p> |
| 20. Subcontracts | <p>20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under this contracts if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the supplier from any liability or obligation under the contract.</p> |
| 21. Delays in the supplier's performance | <p>21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.</p> <p>21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.</p> <p>21.3 No provision in a contract shall be deemed to prohibit the obtaining of supplies or services from a national department, provincial department, or a local authority.</p> <p>21.4 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the</p> |

supplier's point of supply is not situated at or near the place where the supplies are required, or the supplier's services are not readily available.

21.5 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of penalties.

21.6 Upon any delay beyond the delivery period in the case of a supplies contract, the purchaser shall, without canceling the contract, be entitled to purchase supplies of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

22. Penalties

22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

23. Termination for default

23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:

- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
- (b) if the Supplier fails to perform any other obligation(s) under the contract; or
- (c) if the supplier, in the judgment of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

23.3 Where the purchaser terminates the contract in whole or in part, the purchaser may decide to impose a restriction penalty on the supplier by prohibiting such supplier from doing business with the public sector for a period not exceeding 10 years.

23.4 If a purchaser intends imposing a restriction on a supplier or any

person associated with the supplier, the supplier will be allowed a time period of not more than fourteen (14) days to provide reasons why the envisaged restriction should not be imposed. Should the supplier fail to respond within the stipulated fourteen (14) days the purchaser may regard the intended penalty as not objected against and may impose it on the supplier.

23.5 Any restriction imposed on any person by the Accounting Officer / Authority will, at the discretion of the Accounting Officer / Authority, also be applicable to any other enterprise or any partner, manager, director or other person who wholly or partly exercises or exercised or may exercise control over the enterprise of the first-mentioned person, and with which enterprise or person the first-mentioned person, is or was in the opinion of the Accounting Officer / Authority actively associated.

23.6 If a restriction is imposed, the purchaser must, within five (5) working days of such imposition, furnish the National Treasury, with the following information:

- (i) the name and address of the supplier and / or person restricted by the purchaser;
- (ii) the date of commencement of the restriction
- (iii) the period of restriction; and
- (iv) the reasons for the restriction.

These details will be loaded in the National Treasury's central database of suppliers or persons prohibited from doing business with the public sector.

23.7 If a court of law convicts a person of an offence as contemplated in sections 12 or 13 of the Prevention and Combating of Corrupt Activities Act, No. 12 of 2004, the court may also rule that such person's name be endorsed on the Register for Tender Defaulters. When a person's name has been endorsed on the Register, the person will be prohibited from doing business with the public sector for a period not less than five years and not more than 10 years. The National Treasury is empowered to determine the period of restriction and each case will be dealt with on its own merits. According to section 32 of the Act the Register must be open to the public. The Register can be perused on the National Treasury website.

24. Anti-dumping and countervailing duties and rights

24.1 When, after the date of bid, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or anti-dumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the contractor to the State or the State may deduct such amounts from moneys (if any) which may otherwise be due to the contractor in regard to supplies or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which

may be due to him

25. Force Majeure

- 25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.
- 25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

26. Termination for insolvency

- 26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the purchaser.

27. Settlement of Disputes

- 27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.
- 27.3 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 27.4 Mediation proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.
- 27.5 Notwithstanding any reference to mediation and/or court proceedings herein,
- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
 - (b) the purchaser shall pay the supplier any monies due the supplier.

28. Limitation of liability

- 28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and

	(b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.
29. Governing language	29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.
30. Applicable law	30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified in SCC.
31. Notices	31.1 Every written acceptance of a bid shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his bid or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.
32. Taxes and duties	32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country. 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser. 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a bid the Department must be in possession of a tax clearance certificate, submitted by the bidder. This certificate must be an original issued by the South African Revenue Services.
33. National Industrial Participation Programme (NIP)	33.1 The NIP Programme administered by the Department of Trade and Industry shall be applicable to all contracts that are subject to the NIP obligation.
34 Prohibition of Restrictive practices	34.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 1998, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding (or bid rigging). 34.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in the Competition Act No. 89 of 1998.

- 34.3 If a bidder(s) or contractor(s), has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.



DEPARTMENT OF ENVIRONMENTAL AFFAIRS

BAS ENTITY MAINTENANCE FORM

Head Office Only

Date Received _____
Safetynet Capture _____
Safetynet Verified: _____
BAS/LOGIS Capt _____
BAS/LOGIS Auth _____
Supplier No. _____

The Director General

I/We hereby request and authorise you to pay any amounts, which may accrue to me/us to the credit of my/our account with the mentioned bank.

I/we understand that the credit transfers hereby authorised will be processed by computer through a system known as "ACB - Electronic Fund Transfer Service", and I/we understand that no additional advice of payment will be provided by my/our bank, but that the details of each payment will be printed on my/our bank statement or any accompanying voucher. (This does not apply where it is not customary for banks to furnish bank statements).

I/we understand that the Department will supply a payment advice in the normal way, and that it will indicate the date on which the funds will be made available on my/our account.

This authority may be cancelled by me/us by giving thirty days notice by prepaid registered post.

Please ensure information is validate as per required bank screens .

I/We understand that bank details provided should be exactly as per record held by the banks.

I/We understand that the Department will not held liable for any delayed payments as a result of incorrect information supplied.

Company / Personal Details

Registered Name

Trading Name

Tax Number

VAT Number

Title:

Initials:

Full Names

Surname

Persal Number

Address Detail

Address

(Compulsory if Supplier)

Physical

Postal

Postal Code

New Detail

☐ New Supplier information ☐ Update Supplier information

Supplier Type:

☐ Individual
☐ Company
☐ CC

☐ Department
☐ Trust
☐ Other (Specify)

☐ Partnership

Department Number

Supplier Account Details (To be <i>Verified by the bank, please attach bank letter or 3 months bank statement</i>)

(Please note that this account MUST be in the name of the supplier. No 3rd party payments allowed).

[illegible][illegible]

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Bank screen info
ABSA -CIF screen
FNB -Hogans system on the CIS4/CUPR
STD Bank-Look-up-screen
Nedbank - Banking Platform under the Client Details Tab

Other (Please Specify)

[illegible]

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[illegible]

***Please include CC/CK where applicable**

Bank Stamp

[illegible]

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Supplier Signature									
Print Name									
		/			/				

NB: All relevant fields must be completed